

## OEL (HOLDINGS) LIMITED

(Company Registration No. 198403368H)

(Incorporated in Singapore)

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### UPDATE ON ARBITRATION AGAINST FUGRO AUSTRALIS PTY LTD

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1. The board of directors ("**Board**") of OEL (Holdings) Limited (formerly known as Oakwell Engineering Limited) (the "**Company**") refers to the announcements of the Company dated 2 September 2013, 30 September 2013, 18 November 2013 and 11 December 2013 ("**Previous Announcements**") in relation to the shipbuilding contractual dispute and arbitration proceedings by OSEC Shipyard Pte Ltd formerly known as Oakwell Shipbuilding Engineering Construction Pte Ltd ("**OSEC**") against Fugro Australis Pty Ltd ("**FAPL**").
2. All capitalised terms used herein shall have the same meanings ascribed to them in the Previous Announcements, unless otherwise provided or unless the context otherwise requires.
3. The LCIA Tribunal has, on 30 January 2014, ordered that OSEC and FAPL should each provide security for costs in the sum of £700,000 in respect of the costs of defending each parties' respective claim and counterclaim up until the final hearing of the arbitration; such security is to be provided within 14 days of 30 January 2014, by the parties' respective parent companies, namely the Company on behalf of OSEC and Fugro NV on behalf of FAPL.
4. The LCIA Tribunal further ordered that OSEC shall pay to FAPL within 14 days of 30 January 2014 FAPL's costs in respect of the injunction applications before the Singapore High Court and the LCIA Tribunal in the sums of SGD40,000 and £100,000 respectively, being a substantial reduction in aggregate from what was claimed by FAPL. Such costs are to be deducted from FAPL's security for costs for OSEC's claim in the LCIA Arbitration up to 10 December 2013 and OSEC's applications for injunction before the Singapore High Court which the LCIA Tribunal had ordered on 10 December 2013 in the sum of £300,000. That security was furnished by way of the Company's guarantee on 23 December 2013.
5. The Company will keep the shareholders updated of the developments of this matter as may be necessary or appropriate.

By Order of the Board

Derick Lim Chien Joo

Group Financial Controller / Company Secretary

4 February 2014

*This announcement has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this announcement.*

*This announcement has not been examined by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

*The details of the contact person for the Sponsor are:-*

*Name: Mr Tan Chong Huat (Registered Professional, RHT Capital Pte. Ltd.)*

*Address: Six Battery Road, #10-01, Singapore 049909*

*Tel: (65) 6381 6757*